



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**  
**REGION 5**  
**77 WEST JACKSON BOULEVARD**  
**CHICAGO, IL 60604-3590**

**VIA ELECTRONIC MAIL**  
**DELIVERY RECEIPT REQUESTED**

Todd Adamson, Vice President  
Allied Recycling, Inc.  
ertadamson@aol.com

Re: Finding of Violation  
Allied Recycling, Inc.  
Arcadia, Florida

Dear Mr. Adamson:

The U.S. Environmental Protection Agency is issuing the enclosed Finding of Violation (FOV) to Allied Recycling, Inc. (Allied, or you) under Section 113(a) of the Clean Air Act, 42 U.S.C. § 7413(a). We find that Allied has violated the Clean Air Act (CAA), 42 U.S.C. § § 7401 – 7671q, specifically the regulations for the Protection of Stratospheric Ozone at 40 C.F.R. Part 82, Subpart F, at your facility located at 2347 SW Hwy 17, Arcadia, Florida.

Section 113 of the Clean Air Act gives us several enforcement options. These options include issuing an administrative compliance order, issuing an administrative penalty order and bringing a judicial civil or criminal action.

We are offering you an opportunity to confer with us about the violations alleged in the FOV. The conference will give you an opportunity to present information on the specific findings of violation, any efforts you have taken to comply and the steps you will take to prevent future violations. In addition, in order to make the conference more productive, we encourage you to submit to us information responsive to the FOV prior to the conference date.

Please plan for your facility's technical and management personnel to attend the conference to discuss compliance measures and commitments. You may have an attorney represent you at this conference.

The EPA contact in this matter is Tess Russell. You may call her at (312) 886-1532 or email her at russell.tess@epa.gov to request a conference. You should make the request within 10 calendar days following receipt of this letter. We should hold any conference within 30 calendar days following receipt of this letter.

Sincerely,

Brian Dickens  
Chief, Air Enforcement and Compliance Assurance Section (MN/OH)

Enclosure: SBREFA fact sheet

cc: Jessica Dalton, Environmental Administrator  
Division of Air Resource Management  
Compliance and Enforcement Section  
Florida Department of Environmental Protection

1. In accordance with Section 608 of the CAA, 42 U.S.C. § 7671g, EPA promulgated regulations at 40 C.F.R. Part 82, Subpart F, applicable to recycling and emissions reductions of ozone depleting substances. As specified at 40 C.F.R. § 82.150(a), the purpose of the regulations is to reduce emissions of class I and class II refrigerants and their non-exempt substitutes to the lowest achievable level during the service, maintenance, repair, and disposal of appliances. As specified at 40 C.F.R. § 82.150(b), the subpart applies to, among others, persons disposing of such appliances.
2. Under 40 C.F.R. § 82.152, an appliance is any device which contains and uses a class I or class II substance or substitute as a refrigerant and which is used for household or commercial purposes, including any air conditioner, motor vehicle air conditioner (MVAC), refrigerator, chiller, or freezer. For a system with multiple circuits, each independent circuit is considered a separate appliance.
3. Under 40 C.F.R. § 82.152, class I or class II substances refer to ozone-depleting substances listed at 40 C.F.R. Part 82, Subpart A, Appendix A or Appendix B, respectively.
4. Under 40 C.F.R. § 82.152, refrigerant is any substance, including blends and mixtures, consisting in part or whole of a class I or class II ozone-depleting substance or substitute that is used for heat transfer purposes and provides a cooling effect.
5. Under 40 C.F.R. § 82.152, a small appliance is any appliance that is fully manufactured, charged, and hermetically sealed in a factory with 5 pounds or less of refrigerant, including, but not limited to, refrigerators and freezers (designed for home, commercial, or consumer use), medical or industrial research refrigeration equipment, room air conditioners (including window air conditioners, portable air conditioners, and packaged terminal air heat pumps) [AC units], dehumidifiers, under-the-counter ice makers, vending machines, and drinking water coolers.

6. Under 40 C.F.R. § 82.154(a), no person maintaining, servicing, repairing, or disposing of appliances may knowingly vent or otherwise release into the environment any refrigerant or substitute from such appliances, with certain exceptions not relevant to this matter.
7. Under 40 C.F.R. § 82.155(b), the final processor—i.e., any person who takes the final step in the disposal process (including but not limited to scrap recyclers and landfill operators) of a small appliance, MVAC or MVAC-like appliance—must either:
  - (1) Recover any remaining refrigerant from the appliance in accordance with 40 C.F.R. § 82.155(a), which requires that persons recovering refrigerant from small appliances, MVAC, or MVAC-like appliances must evacuate refrigerant to the levels in 40 C.F.R. § 82.156(b) through (d); or
  - (2) Verify using a signed statement or a contract that all refrigerant that had not leaked previously has been recovered from the appliance or shipment of appliances in accordance with 40 C.F.R. § 82.155(a). If using a signed statement, it must include the name and address of the person who recovered the refrigerant and the date the refrigerant was recovered. If using a signed contract between the supplier and the final processor, it must either state that the supplier will recover any remaining refrigerant from the appliance or shipment of appliances in accordance with 40 C.F.R. § 82.155(a) prior to delivery, or the supplier will verify that the refrigerant had been properly recovered prior to receipt by the supplier.<sup>1</sup>
8. Under 40 C.F.R. § 82.155(b)(2)(ii), the final processor must notify suppliers of appliances that refrigerant must be properly recovered in accordance with 40 C.F.R. § 82.155(a) before delivery of the items to the facility. The form of notification may be signs, letters to suppliers, or other equivalent means.
9. Under 40 C.F.R. § 82.155(b)(2)(iii), if all refrigerant has leaked out of the appliance, the final processor must obtain a signed statement that all the refrigerant in the appliance had leaked out prior to delivery to the final processor and recovery is not possible. “Leaked out” in this context means those situations in which the refrigerant has escaped because of system failures, accidents or other unavoidable occurrences not caused by a person’s negligence or deliberate acts such as cutting refrigerant lines.
10. Under 40 C.F.R. § 82.156(b), persons must recover refrigerant, using a recovery and/or recycling machine certified pursuant to 40 C.F.R. § 82.158 before opening a small appliance or when disposing of a small appliance, according to specified conditions.
11. Under 40 C.F.R. § 82.156(d), all persons recovering refrigerant from MVACs for purposes of disposal of these appliances must evacuate the appliance in accordance with 40 C.F.R. Part 82, Subpart B, or reduce the system pressure to or below 102 mm of mercury vacuum.

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<sup>1</sup> In the Preamble to the original rule and in revisions to 40 C.F.R. Part 82 Subpart F, EPA described under what circumstances a contract was appropriate and when a disposer should use a signed statement: “EPA notes here that a contract is appropriate for businesses to streamline transactions in cases where they maintain long-standing business relationships. A contract would be entered into prior to the transaction, such as during the set-up of a customer account, not simultaneously with the transaction. A signed statement is more appropriate for one-off transactions between the supplier and the final processor.” 81 Fed. Reg. 82,272, 82309 (Nov. 18, 2016).

## **Factual Background**

12. Allied owns and/or operates the scrap metal recycling facility (the Facility) located at 2347 SW-Hwy 17, Arcadia, Florida 34266.
13. Allied Recycling owns and operates three additional scrap metal recycling facilities.
14. The Facility is subject to requirements at 40 C.F.R. § Part 82, Subpart F, due to the fact that the Facility disposes of appliances, including small appliances and MVACs, that contain class I, class II, or non-exempt substitute refrigerants.
15. EPA inspected the Facility on March 5, 2019.
16. At the time of the inspection, EPA inspectors observed that there was no refrigerant recovery equipment on site.
17. At the time of the inspection, Allied representatives stated that they do not recover refrigerant on site and do not have a contractor that recovers the refrigerant on their behalf.
18. At the time of the inspection, Allied representatives could not produce verification statements from customers asserting that small appliances and/or MVACs had the refrigerant properly recovered prior to drop-off. At the time of the inspection, Allied representatives said they do not require the general public or their large volume clients to sign and/or submit any paperwork regarding the refrigerant reclamation status of the material that is sold to Allied.
19. At the time of the inspection, the policy of Allied was to not accept any goods containing refrigerant, according to the Standard Operating Procedures for the Facility provided to EPA.
20. At the time of the inspection, EPA inspectors observed refrigerators and AC units with intact lines in the processing area.
21. At the time of the inspection, EPA inspectors observed one AC unit actively venting refrigerant in the scrap pile.

## **Violations**

22. By failing to recover refrigerants from small appliances such as AC units in accordance with 40 C.F.R. § 82.155(a), and by failing to verify using a signed statement or a contract that refrigerant that had not leaked previously had been recovered, Allied was in violation of 40 C.F.R. § 82.155(b) at the Arcadia, Florida facility.

## **Environmental Impact of Violations**

23. These violations have caused or can cause excess emissions of ozone depleting substances, including chlorofluorocarbons (CFCs) and hydrofluorocarbons (HCFCs)
24. CFCs and HCFCs have been shown to contribute to the depletion of the stratospheric ozone layer, which protects life on Earth from the sun's harmful ultraviolet radiation (UV).

25. UV radiation has been associated with adverse health effects, including skin cancer, cataracts, and immune suppression. UV radiation may also have adverse effects on plant life and aquatic ecosystems.

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Michael D. Harris  
Division Director  
Enforcement and Compliance Assurance Division